

**SOCIAL SECURITY**

The Commissioner

June 30, 2008

Mr. Dan G. Blair
Chairman, Postal Regulatory Commission
901 New York Avenue NW, Suite 200
Washington, D.C. 20268

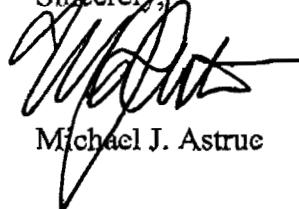
Dear Mr. Blair:

Thank you for your April 18, 2008, letter offering us the opportunity to participate in the review of the United States Postal Service's (USPS) obligation to provide universal service. As a high-volume user of First Class and Priority Mail, our enclosed comments focus on portions of the document related to our need to serve the public no matter where they reside.

Your organization provides a vital function in delivering over 350 million notices and entitlement checks to Social Security beneficiaries and Supplemental Security Income recipients annually. The working relationship between USPS and the Social Security Administration is pivotal to managing the Nation's Social Security programs.

Thank you for considering our comments.

Sincerely,



Michael J. Astruc

Enclosure

Enclosure - The Honorable Dan G. Blair

Social Security Administration (SSA) Comments on the United States Postal Service (USPS) Postal Accountability and Enhancement Act Report

Topic Number 1: Scope of "Universal Postal Service" and "Universal Service Obligation"

The parameters of the universal service obligation (USO) are adequately set forth in the six factors identified: (1) geographic scope, (2) range of product offerings, (3) access to facilities and services, (4) frequency of delivery, (5) rates and affordability, (6) and quality of service.

Topic Number 2: Historical Development of Universal Service, the Universal Service Obligation (USO), and Monopoly Laws

We believe USPS should retain its monopoly on delivering First Class Mail. Mail security is a cornerstone of the Postal Service, and the United States Postal Inspection Service secures the Nation's postal system and ensures public trust. We are concerned that granting third parties access could ultimately compromise postal security and allow a breach of confidentiality.

Topic Number 3: Universal Service: Geographic Scope

We have no comment on this section.

Topic Number 4: Universal Service: Range of Product Offerings

We agree with the Postal Regulatory Commission on the delineation between shipping services (e.g., Priority Mail, Express Mail) and mailing services (First Class Mail, Standard Mail, Periodicals). Competition does foster favorable consumer pricing, and this is a first step toward allowing USPS to become more flexible in pricing and reacting quickly to changes in the shipping marketplace.

Topic Number 5: Universal Service: Access to Postal Facilities

We have no comment on this section.

Topic Number 6: Universal Service: Frequency of Delivery

USPS should retain mail delivery frequency of 6 days per week. Timely communication with the public is vital to our providing effective and efficient service. Eliminating Saturday delivery would delay notices to individuals that require immediate attention. More importantly, decreasing frequency would delay the receipt of benefit checks, many individual's sole source of support.

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Topic Number 7: Rates and Affordability of Service

We agree with your recent decision to adjust postage rates, if necessary, every May according to the prevailing Consumer Price Index. This practice fosters predictability and allows us to forecast our postage budget more effectively.

Topic Number 8: Universal Service: Quality of Service

We recognize that USPS provides a high quality of service and endorse any effort USPS makes to continue to improve its level of quality.

Topic Numbers 9 – 11: Monopolies

We have no comment on these topics, since they do not affect SSA beyond our comments noted in Topic Number 2.

Topic Number 12: Other Issues

We do not have any additional issues.